

LOUISIANA AGRICULTURAL FINANCE AUTHORITY (LAFA)

December 4, 2013

10:00 AM

Veterans Memorial Auditorium

5825 Florida Boulevard

Baton Rouge, LA 70806

CALL TO ORDER

The meeting was called to order by the Chairman, Louisiana Department of Agriculture and Forestry (LDAF) Commissioner Mike Strain at 10:00 AM.

ROLL CALL

The roll was called by Melanie Tullier.

Present: Commissioner Strain, Ted Gauthier, William Hawkins, Richard Muller, H. Marcell Parker, Jr., William Stutts, Calvin Viator, Wilbert Waguespack, and Linda Zaunbrecher

Absent:

Mrs. Tullier stated all members were present and there was a quorum.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES FROM PREVIOUS MEETING

Commissioner Strain asked the Authority members to review the minutes from the September 17, 2013, meeting.

Motion: A motion was made by Mr. Viator to approve the minutes from the September 13, 2013, meeting. It was seconded by Mr. Waguespack, and passed unanimously.

REVIEW OF FINANCIAL STATEMENTS

Mrs. Catrina Irvin presented LAFA's Financial Statement to the board and answered the members' questions.

Motion: A motion was made by Mr. Hawkins to accept the Financial Statements. It was seconded by Mr. Parker, and passed unanimously.

COMMISSIONER'S REPORT

- Mr. Simon stated that the lease with Andean Chemical ended on October 8, 2013, and the deposit has been returned.
- Mr. Simon updated the board on the Lacassine Marketing Plan. The closing with Gloria was completed November 4, 2013, and the plant is currently being dismantled.

A motion was made by Mr. Gauthier to accept the Commissioner's Report. It was seconded by Mr. Viator and approved unanimously.

OLD BUSINESS

Property Transfer of Roseland Saw Mill to Louisiana National Guard in Exchange of 57 Acres in St. Tammany Parish

Mrs. Dupree stated that we are currently waiting on the National Guard to obtain a waiver to have the land transferred to LAFA. The Louisiana National Guard is currently using the land at the Roseland Cypress Mill and is continuing to make improvements to the land.

Long Term Lease of the Lacassine Syrup Mill Site

Mr. Simon updated the board on the advertising for a long term lease of the Lacassine Syrup Mill site, of which there was no additional interest. Porocel and Deep South Crane are still interested in the facilities.

Ms. Marion Fox with the Jefferson Davis Parish Economic Development thanked the board for the possible investments, and stated a study on the sewer and water would be complete in January.

Mr. Gauthier moved to defer discussion until the next board meeting to be held in January, 2014. Mr. Stutts seconded the motion, and it was passed unanimously.

Discussion and Strategy on the Lawsuit Involving LAFA

**Louisiana Agricultural Finance Authority, et al v. Lake Charles Cane –
Lacassine Mill, LLC, 31st JDC, Jefferson Davis Parish, Docket No. C-356-13**

A deficiency judgment has been awarded for \$71 million against Lake Charles Cane – Lacassine Mill, LLC. LAFA has filed a Judgment Debtor Rule in Jefferson Davis Parish to possibly discover any assets which may be able to be used in the judgment. The court date for the Judgment Debtor Rule is set for December 17, 2013.

NEW BUSINESS

Standardized Lease Rates for Rail Usage at Lacassine Industrial Park

Mr. Simon is in discussion with BNSF and the Port of Baton Rouge to develop a standard rate for rail usage at the Lacassine Industrial Park.

Construction of Rail Spurs at Lacassine Industrial Park

Mr. Simon updated the board on the status of the rail spurs at Lacassine. Meyer & Associates estimate that the addition of two spurs and completing an unfinished road will cost about \$4 million.

Lafa anticipates that \$3 million of the funding will come from the CDBG funds, \$1 million from bond proceeds, and about \$150,000 from Lafa reserves.

Mr. Muller made a motion to encumber the funds to the project, and allow the engineer to proceed with bid specs. Mr. Viator seconded the motion, and it was passed unanimously.

Deferral Process for Payments Due to Lafa from Louisiana Farm and Agribusiness Loan and Grant Recovery Program

Mr. Simon requested the board's guidance on the deferral process. The board advised Mr. Simon to have a loan recipient become current on interest before a fourth deferral could be approved.

PUBLIC COMMENTS

ADJOURNMENT

A motion was made by Mr. Waguespack to adjourn the meeting. It was seconded by Mrs. Zaunbrecher and passed unanimously. The meeting adjourned at 11:24 AM.